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Mayor

26 Member
Metro Council

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Report

Department of Health

Smoke Free Louisville Campaign

October 2003

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LOUISVILLE, KENTUCKY
OFFICE OF INTERNAL AUDIT

JERRY E. ADAMSON
MAYOR

RON WESTON
PRESIDENT, METRO COUNCIL

Transmittal Letter

October 6, 2003

Councilman Doug Hawkins
Louisville Metro Council
601 West Jefferson Street
Louisville, KY 40202

SUBJ: Review of Health Department / Smoke Free Louisville Campaign

Introduction

As requested, a review of the Metro Health Department and the Smoke Free Louisville Campaign was performed. The focus was the amount of government funds expended or committed to the Smoke Free Louisville Campaign that was announced in June 2003. Health Department officials were interviewed in order to gain an understanding of the relationship with the Smoke Free Louisville Campaign. Budget / expenditure and Master Settlement Agreement documentation was reviewed.

As explained in the background section of this letter, the mandatory smoking ban portion of the Smoke Free Louisville Campaign did not begin until May 2003. This review was limited to the activities associated with the mandatory ban. The review was conducted in accordance with Government Auditing Standards and with the Standards for the Professional Practice of Internal Auditing.

Background

It is important to understand the relationship among, and differences between, the Louisville Metro Health Department, the Jefferson County Smoke Free Coalition, and the Smoke Free Louisville Campaign.

Master Settlement Agreement

In 1998, tobacco companies and various States agreed to a plan in which States would receive funds from the companies. These funds were to reimburse the States for health consequences of tobacco use. This agreement is called the Master Settlement

Agreement (MSA). The Louisville Metro Health Department receives MSA funds from the State's Cabinet for Health Services – Department for Public Health. The State allocates MSA funds to local health departments to support comprehensive community based programs addressing the four goals established by the Centers for Disease Control and Prevention (CDC). These goals are:

- Preventing initiation of smoking
- Promoting quitting
- Eliminating exposure to secondhand tobacco smoke
- Reducing disparities among population groups disproportionately affected by tobacco use

The MSA is not specific as to the types of activities allowed, as long as they support one of the four program goals. The Health Department uses the MSA funds for the Tobacco Prevention Cessation Program. Part of this program is working with the Jefferson County Smoke Free Coalition.

Jefferson County Smoke Free Coalition

The Jefferson County Smoke Free Coalition is a partnership consisting of representatives from health, community, educational, and faith-based groups. It was organized in 2000 by expanding the existing Jefferson County Medical Society's smoke free task force. The Health Department is a partner in the Jefferson County Smoke Free Coalition, and provides funds for coalition activities from the Master Settlement Agreement.

The Jefferson County Smoke Free Coalition plans and implements a comprehensive strategy to address the four CDC goals as required by the MSA. In order to address each goal, the Coalition is divided into five task groups:

- Adult
- Environmental Tobacco Smoke (ETS)
- Limited English proficiency (LEP)
- Professional Education
- Schools / Youth

One of the activities of the ETS task group over the past few years has been to increase the number of restaurants and worksites in Jefferson County that are voluntarily smoke free. The Smoke Free Louisville Campaign is an outgrowth of the ETS task group.

Smoke Free Louisville Campaign

The Smoke Free Louisville Campaign is a partnership with a mission of eliminating secondhand smoke in worksites in Jefferson County. Partners besides the Health Department (via the Jefferson County Smoke Free Coalition) include the American Cancer Society, the American Heart Association, the American Lung Association, the Jefferson County Medical Society, and the Kentucky Alliance to Control Tobacco in Our Neighborhoods (KY ACTION).

In April 2003, the Health Department, through its relationship with the Jefferson County Smoke Free Coalition, committed support to the Smoke Free Louisville

Campaign. The commitment is for the time span of April through December 2003. The Health Department does not provide direct funding to the Smoke Free Louisville Campaign. Instead, expenses incurred for Campaign related activities are paid by the Health Department.

Other partners allocated funding for the Campaign. The Robert Wood Johnson Foundation matched the funding by providing a grant to KY ACTION for four goals, one of which is to provide an educational campaign leading to passage of legislation prohibiting smoking in public places.

Results

The activity associated with the Smoke Free Louisville Campaign is recorded in the Health Department's Tobacco Prevention and Cessation Program financial center. This center is used for all activity for the Tobacco Prevention and Cessation Program, not just the Smoke Free Louisville Campaign. The Campaign activity is not charged to one account or in any other way segregated for identification, nor does there appear to be a requirement in the MSA to do so.

As a result, there is no way to independently identify the activity for the Smoke Free Louisville Campaign without the assistance of Health Department employees. This is true for both budget and expenditure activity. Health Department officials identified the following budget / expenditure activity as being in support of the Smoke Free Louisville Campaign. Supporting documentation was reviewed in order to verify the accuracy of the information provided. Due to the limitations previously noted, an opinion as to the completeness of this information cannot be offered.

Table 1: FY 2004 Health Department Budget – Match Funds for the Special Opportunities Grant, the Kentucky Clean Indoor Air Campaign

<u>Description</u>	<u>Amount</u>
2 nd Opinion Survey	\$ 12,000
Brochure	\$ 4,000
Community Educators (3 @ \$10,000)	\$ 30,000
Direct Mail (20,000 People)	\$ 10,000
Economic Impact Breakfast	\$ 1,000
Materials (Push Cards, Bumper Stickers, Folders, Buttons, Stickers)	\$ 5,000
Smoke Free Dining Guide 2004	\$ 5,000
Special Events (2 @ \$2,000)	\$ 4,000
Volunteer Training	\$ 1,000
Website	\$ 1,000
Total	<u>\$ 73,000</u>

Table 2: Health Department Expenditures - Match Funds for the Special Opportunities Grant, the Kentucky Clean Indoor Air Campaign

<u>Description</u>	<u>Amount</u>
Opinion Survey	\$ 7,900
Petition Drive	\$ 532
Press Conference	\$ 2,165
Shirts	\$ 2,477
Training	\$ 326
Website	\$ 22
Total	<u>\$13,422</u>

* Paid / incurred approximately May 2003 - September 24, 2003

These activities are funded through the Master Settlement Agreement (MSA) funds from the State. The MSA is not specific as to allowable activities. The agreement

requires that activities supporting the CDC's four goals be provided, without specifically stating what is or is not allowable. Therefore, it appears the activity noted is allowable activity for the program goal of "eliminating nonsmokers exposure to environmental tobacco smoke (ETS)." However, the State Department for Public Health has final authority to determine allowable uses of the MSA funds.

Some other items were noted that should be considered.

- The financial commitment to the Smoke Free Louisville Campaign is documented in a letter from the Jefferson County Smoke Free Coalition to KY ACTION. This letter was written by a Health Department employee and is dated April 1, 2003. The amount noted in the letter is \$89,000 plus \$37,000 from in-kind contributions. According to Health Department officials, this represents the amount committed by the Health Department, since it is a partner in the Jefferson County Smoke Free Coalition. In other documentation (e.g., May 2003 Fiscal Year Report), the commitment is noted as \$88,000, with no mention of the \$37,000 in-kind.
- The telephone number (574-STOP) listed on some of the Smoke Free Louisville Campaign literature is the Tobacco Cessation Program number at the Health Department. According to Health Department officials, this number has been used for the Jefferson County Smoke Free Coalition for some time. While there is a direct charge involved, there is no way to identify the cost associated solely with the Smoke Free Louisville Campaign without tracking call volume.
- The email account (jcsfc@loukymetro.org) that was part of the Smoke Free Louisville Campaign website belongs to the Health Department. According to Health Department officials, this has been used for the Jefferson County Smoke Free Coalition for some time. There is no way to identify the cost associated solely with the Smoke Free Louisville Campaign for this account without tracking activity. Even then, it may be impossible since the Health Department is not charged for each individual email account.
- According to Health Department officials, the draft ordinance (dated January 30, 2003) was prepared at the direction of the Board of Health prior to the Smoke Free Louisville Campaign beginning. This was verified by reviewing Board of Health minutes from August 2002, January 2003, and February 2003. Therefore, it appears the \$1,200 cost you referenced in your August 19, 2003 memorandum does not apply to the Smoke Free Louisville Campaign.

Recommendation

The State Department for Public Health should be requested to review the Health Department's MSA expenditures supporting the Smoke Free Louisville Campaign. The purpose is to have authoritative determination as to the allowability of the activity.

Conclusion

The amount expended by the Health Department for the Smoke Free Louisville Campaign cannot be independently determined. As a result, no opinion is offered as to the completeness of the information presented. Given this caveat, it appears \$73,000 is budgeted for the remainder of calendar year 2003, and \$13,422 has been expended in

support of the Smoke Free Louisville Campaign. It appears that the activities are allowable uses of the Master Settlement Agreement funds, but authoritative determination should be obtained from the State Department for Public Health.

If I can be of further assistance, please let me know.

Sincerely,

A handwritten signature in blue ink, reading "Michael S. Norman".

Michael S. Norman, CIA
Chief Audit Executive

cc: Louisville Metro Council Members

Department of Health Response

The response from the Department of Health begins on the following page.



LOUISVILLE, KENTUCKY

LOUISVILLE METRO HEALTH DEPARTMENT

JERRY E. ABRAMSON
MAYOR

October 6, 2003

KRAIG HUMBAUGH, M.D., M.P.H.
INTERIM DIRECTOR

Honorable Doug Hawkins
Councilman, 25th District
Louisville Metro Council
601 West Jefferson Street
Louisville, KY 40202

Dear Councilman Hawkins:

Please consider this supplementary information to the internal audit you requested.

The Louisville Metro Health Department spent its Master Settlement Agreement (MSA) funds in accordance with program goals promulgated by the Centers for Disease Control and Prevention. Activities and expenditures were reported and accounted for in the format recommended by the Kentucky Department for Public Health. Attached is a letter from Kentucky Public Health Commissioner Dr. Rice Leach stating that the funds were used properly and as intended. Responding to a request to review our department's MSA expenditures that supported the Smoke Free Louisville Campaign, Dr. Leach writes, "The simple and direct answer is yes; it is within the scope of the state's tobacco control program for your department to use the funds this way."

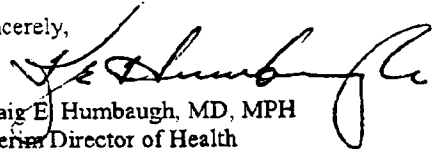
Many of the activities listed in Table 1 of the audit report and used as a match to leverage Robert Wood Johnson grant funds under the *Special Opportunities Grant, the Kentucky Clean Indoor Air Campaign*, are activities that the Health Department would be doing anyway. Even if the Smoke Free Louisville Campaign had never existed, reducing environmental tobacco smoke is one of CDC's directives. Such activities include producing brochures and other printed materials. The Health Department will continue to do many of these activities regardless of the outcome of the Smoke Free Louisville Campaign.

To avoid any confusion or misinterpretation in the eyes of the public, action has been taken regarding the use of the 574-STOP phone number by the Smoke Free Louisville Campaign. As of September 12, 2003, the 574-STOP number was removed from all Smoke Free Louisville materials including stationery and web site. Action has also been taken so that the Smoke Free Louisville Campaign no longer has use of any website belonging to the Health Department.

The mission of the Health Department is to promote and protect the health of the community. To accomplish this mission, public health performs three core functions: assessment, policy development, and assurance. Some of the activities that the Health Department has undertaken with funding from the Master Settlement Agreement are designed to assess the health status of the community in regard to the effects of smoking and secondhand smoke. The Health Department is developing policies to improve the health of the community on these indicators, and has instituted and will continue to institute programs and initiatives to protect the public from the deadly health consequences of smoking and secondhand smoke.

Should you have any questions or concerns, please contact me.

Sincerely,


Kraig E. Humbaugh, MD, MPH
Interim Director of Health



Department for Public Health
HSIGWA

CABINET FOR HEALTH SERVICES
COMMONWEALTH OF KENTUCKY
FRANKFORT 40621-0001

October 3, 2003

Kraig Humbaugh, MD
Interim Director of Health
Louisville Metro Health Department
400 East Gray Street
Louisville, KY 40202

Dear Dr. Humbaugh:

This is in response to your request for a letter to review the Louisville Metro Health Department's MSA expenditures supporting the Smoke Free Louisville Campaign to determine that this department will allow the use of these funds for this purpose. The simple and direct answer is yes; it is within the scope of the state's tobacco control program for your department to use these funds this way.

When the Department for Public Health (DPH) distributed these funds to the local health departments, it made it clear that these funds had to be used to address one or more of the following objectives set forth by the Centers for Disease Control:

- Prevent persons from starting to smoke
- Assist persons who want to stop smoking
- Reduce exposure to second hand smoke, and
- Reduce the disparities in tobacco related illness among certain ethnic and economic groups.

The DPH noted that a local health department could take the lead in the absence of any other initiative in a locale or could become an active partner when another agency had taken the lead. It was from the outset that the Jefferson County Health Department planned to partner with the Jefferson County Medical Society, which had taken the lead in your community. This commissioner attended at least one community wide planning meeting led by the medical society.

Efforts to make Louisville a smoke free community address all the requirements for use of these funds. The less a community smokes, the less likely its youth are to initiate smoking, the more likely smokers are to stop smoking, the less likely its citizens are to be exposed to tobacco smoke, and the less likely ethnic and economic groups are to be treated differently.

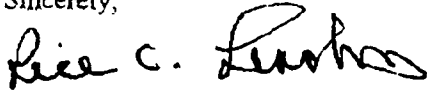


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As always, this department is prepared to support you and other health departments as Kentucky continues its efforts to reduce the negative health effects of tobacco use. If you require additional information on program guidelines, please contact Ms. Centers or me at 502-564-7996 extension 3808.

Sincerely,

A handwritten signature in black ink, appearing to read "Rice C. Leach". The signature is fluid and cursive, with the first name "Rice" being more prominent.

Rice C. Leach, MD
Commissioner